Deutsche Telekom ICSS launches co

Deutsche Telekom's international wholesale arm, International Carrier Sales and Solutions (ICSS), has launched a web-based content exchange platform, Conx.

Conx signals an attempt by ICSS to monetise an expected content explosion by providing a simple and secure online environment for audiovisual content trading. It enables content producers and distributors to offer various video formats such as films and television programmes to buyers such as ISPs, and will generate revenue by charging a commission on each sale.

"Our strategy is to expand into adjacent markets that are intercepting with telecoms," said Andres Jordan, VP of innovation projects at ICSS north America. "Clearly the new media and content market is one of these. Everything with content distribution is intermediary, and new intermediation is happening. The balance of network, eyeballs and content is always going to give rise to tension and as content moves away from traditional distribution into the digital web the balance of value tips towards the carriers. We're trying to parallel innovation alongside telecoms and maximise the value of our network."

The online platform operates via an interface designed by Mediapeers, a media services company part-owned by Deutsche Telekom. Conx aims to simplify pricing and licensing issues, and offers users a range of tools and services.

"ICSS have taken the step of creating a trading environment, and with Deutsche Telekom's scale behind them they should be able to attract content relationships with serious providers," said Tony Lavender, partner at Analysys Mason. "The real question is whether or not they can

Teliasonera deploys LTE service

Kenneth Karlberg, head of mobility services, Teliasonera

Teliasonera has delivered commercial LTE in Stockholm and Oslo. Launched in Dec 2009, and thought to be the first commercial LTE deployment in the world, the network covers the central city areas of Stockholm and Oslo and is used for mobile data.

"The use of mobile broadband in the Nordic countries is exploding and customers need higher speeds and capacity. This is why we've launched 4G services in both Stockholm and Oslo," said Kenneth Karlberg, president and head of mobility services at Teliasonera. Teliasonera has three nationwide 4G/LTE licences; in Sweden, Norway and also recently in Finland.

"Many would have expected either Verizon or NTT Docomo to deploy the world's first commercial LTE network. Nevertheless, if Teliasonera's LTE delivers on what it promises, with users experiencing throughputs between 20 to 80Mbps, it will lead to an exponential increase of LTE commitments from operators who are still undecided on the upgradation path of their existing 3G networks," said Luke Thomas, programme manager for ICT Europe at consultancy Frost & Sullivan. "Considering that Ericsson and Huawei are the equipment vendors for Teliasonera's network, some of the LTE trials that these vendors are currently conducting worldwide could potentially convert into commercial contracts sooner than later."

The Stockholm 4G city network was supplied by Ericsson. The Oslo 4G city network was supplied by Huawei. The modems at launch come from Samsung. Evaluation of suppliers for Teliasonera's common 4G core network and radio networks in the Nordic and Baltic countries is in progress and vendors will be selected in the beginning of 2010.

Thomas added: "Truly, Teliasonera has caught many of its competitors offguard as many in the industry were expecting the world's first commercial LTE network to happen in Q2/Q3 of 2010. It will now be more interesting on how Mobile Wimax proponents would react to this announcement and if the European market will be viable for them to actively participate in the long run." ■

IN BRIEF

Company TTK has concluded the upgrade of its IP-MPLS backbone PoPs in Moscow. The two T1600 routers from Juniper Networks were installed at redundant PoPs, with each unit supporting 80 10Gbit ports, resulting in a doubling of capacity at each PoP. This is evidence of TTK's new strategy of developing its existing business and investing in retail network infrastructure. Announced at the end of 2008, this investment comes at the cost of $1.5 billion, with the major part of the investment occurring in the first three years.

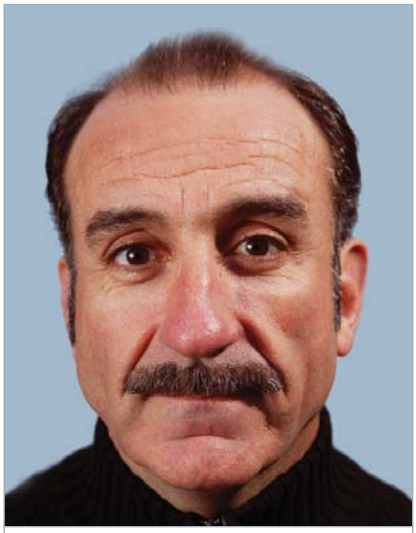
Telefonica has strengthened its commitment to providing machine-to-machine (M2M) services by setting up a global unit responsible for supporting its business clients in all the markets where the group operates. The company already owns "Global M2M", an end-to-end solution, which offers tailormade global, and local value-added services to any client anywhere. Telefonica has successfully implemented and developed M2M products and services for over 10 years. ■

ntent exchange platform

create the image and interest to bring on board the international customer base – ISPs, mobile operators and others – that is needed to grow this proposition."

ICSS is in the process of redesigning its portfolio from traditional voice and transport services to advanced wholesale services and customised IP solutions. The business activities and efforts of ICSS are focussing on serving: broadband operators (ISPs, WISPs, and VoIP SPs), mobile operators and MVNOs, content, application and media providers, corporate service providers and VNOs, fixed voice carriers, and carriers' carriers and their customers.

"Conx could become a mezzanine platform with a lot of other products on top of it," said Jordan. "We could plug in some very specific distribution mechanisms. So, let's say somebody wants to buy a movie and needs the facility to distribute it via an IPTV network or set top boxes. Maybe we could do that. Conx has some very interesting features as an asset management tool; that's what it is really. Think of it as asset management plus marketing." ■



Andres Jordan, VP innovation projects, DT ICSS

GTT buys WBS Connect

Global Telecom & Technology (GTT) has added over 400 customers to its business with the acquisition of WBS Connect.

The network integrator will acquire privately held WBS Connect for considerations that include 500,870 shares of GTT common stock $1.3 million in cash, seller notes, an earn-out opportunity for the sellers, and the assumption of certain WBS Connect liabilities and its working capital.

"With the close of this transaction, GTT reaches an important milestone in its evolution as a leading global network integrator," said Rick Calder, president and CEO at GTT. "This acquisition leverages our past financial successes and positions the company for the next level of growth. By layering WBS Connect's services onto our existing operational platform, we can expand our EBITDA and enhance our financial profile."

With the acquisition GTT's network infrastructure spans over 60 points of presence in metro markets throughout north America, Asia and Europe.

In a letter to customers WBS Connect's senior management said: "We see the merging of our two companies as an absolute win-win, combining GTT's powerful operations platform and proven management team with WBS Connect's sizeable customer base and physical network infrastructure. WBS Connect's strong IP transit and Ethernet expertise and network footprint will both complement and enhance the GTT portfolio of wide area networking and enterprise mobility services."

"We're thrilled to welcome Scott Charter and Mike Hollander to the GTT team," said Calder. "We believe that adding WBS's talents, resources and complementary product set into our robust GTT company portfolio further enhances our ability to deliver additional value to our customers."

The companies have received regulatory approval for the acquisition from the US Federal Communications Commission. ■

News & Views

Ireland-UK cable to meet demand for high capacity services

Irish cable operator Celtix Connect has begun construction of a high-capacity subsea cable system between Dublin and Holyhead in the UK. Celtix Connect's business model will allow users to either buy or lease dedicated dark fibre on the subsea cable or lease high-capacity managed services on its route.

Diane Hodnett, commercial director, Celtix Connect

"There is a mass of content in Ireland and the UK, and a lot of providers looking to serve the likes of Google and Microsoft," said Diane Hodnett, commercial director at Celtix Connect. "Carriers will be looking to service customers who have massive IP requirements, and so they need their own routes into Ireland. With the current economic situation as it is carriers aren't eager to build their own systems – and in the scheme of things the demand from Ireland to the UK isn't as big as, say, that towards mainland Europe, so it makes sense for us to privately build the infrastructure and then lease it to corporate customers."

Celtix Connect is owned and operated by Sea Fibre Networks, a privately owned Irish company. Celtix Connect's cable will connect on the UK side to the Welsh Assembly-funded Fibre Speed network. It is scheduled to go into service in the autumn of 2010.

"Capacity is diminishing between the UK and Ireland and some of the cables are facing obsolescence and will be decommissioned," said Hodnett. "There is also an argument that these pre-2000 cables will not be able to handle capacity upwards of 10Gbps, and higher speeds and lower latency will be required in future. On the Irish side we come right into the heart of the business district at East Point where Yahoo, Ebay and others are located, and from there we can connect with multiple providers onto the T50, the main network encircling Dublin and connecting all the data centres."

Irish incumbent Eircom has further developed its undersea cable connectivity through a partnership with Hibernia Atlantic. The partnership allows direct fibre-optic connections from the Eircom data centre in Clonshaugh to the US and Canada over Hibernia's undersea cable.

Andy O'Kelly, business solutions director at Eircom said: "The low latency network of Hibernia Atlantic will allow our clients to have confidence in Dublin as a strategic data centre location. The combination of the energy efficiency of the Eircom data centre and high availability of fibre-optic networks makes it the location of choice for major online brands and cloud computing service providers."

He added: "With the growth of online content and Ireland's central role in the data centre infrastructure in Europe, it is very welcome that Hibernia Atlantic's direct links to the US are available directly from our data centre floor." ■

Sprint completes iPCS buy

Sprint has completed the acquisition of US wireless operator iPCS for approximately $831 million, including the assumption of $405 million in net debt. With the acquisition Sprint will add 700,000 former iPCS subscribers and will expand its direct service territory to cover an additional 12.6 million people.

"Acquiring direct ownership interest in the operations of iPCS provides additional ownership value to Sprint while helping to resolve business concerns between the companies," said Scott Sloat, a representative for Sprint Nextel. "Additionally, Sprint acquires a growing CDMA wireless business that fills in a piece of our existing national wireless network. The US wireless market remains very competitive. Our competition includes other large national post-paid carriers like AT&T, T-Mobile and Verizon as well as smaller regional pre-paid carriers like Metro PCS and Leap."

In 2009 Sprint also acquired Virgin US, and grew its pre-paid service under its Boost mobile brand. However, since the end of 2006 it has lost almost half its Nextel network customer base, from 21.6 million customers to just under 12 million, according to Pyramid Research.

"Ever since Sprint acquired Nextel in 2006 they've had big problems losing customers from that network," said Daniel Locke, senior analyst at Pyramid Research. "At the time its push-to-talk service was quite unique and used extensively by the business segment. Now with the introduction of smartphones, video on demand, mobile internet, and so on, people want more services and Nextel's network doesn't support them very well. Sprint is losing those customers. Sprint's still the third largest operator, but they're losing market share." ■

IN BRIEF

❑ **CFN Services**, a low-latency network and custom fibre-optic network integrator in the financial industry, has joined Switch and Data's Georeach partnership programme. CFN will provide clients with turnkey or custom-designed, low-latency interconnections to multiple regional exchanges from Switch and Data's New York and Toronto Financial Ecocenters. CFN Fibersource Advisor provides professional services to assist financial firms in their regional or global network design, planning, and strategy to enhance their individual electronic trading strategies. ■

News & Views

Windstream to acquire Iowa Telecom

US rural telco Windstream has entered into a definitive agreement to acquire Iowa Telecommunications in a transaction valued at $1.1 billion.

The deal is expected to close in mid 2010, subject to regulatory and shareholder approvals. It also includes Iowa Telecom's 15 FCC advanced wireless service licences and three 700MHz band licences.

"These are well-run, profitable properties in very rural service areas that expand our presence in the upper mid west and grow our free cash flow per share," said Jeff Gardner, president and CEO at Windstream.

"This is an excellent transaction for our shareholders, and for the customers that we serve," said Alan Wells, chairman and CEO at Iowa Telecom. "Windstream is a leader in our industry, and Jeff Gardner and his team have done an outstanding job of profitably growing their business in challenging times."

The deal brings Windstream's total acquisitions in 2009 to four, having also bought Pennsylvania-based D+E Communications, Lexcom in North Carolina, and Nuvox in South Carolina. Windstream will add Iowa Telecom's 95,000 high-speed internet and 26,000 digital TV customers to its customer base.

"Continued consolidation in the US rural wholesale market will make for stronger companies, as long as management doesn't overreach in acquisitions," said Judy Reed Smith, CEO at Atlantic-ACM. "Ideally the carriers will build better systems and update their technologies with mergers. Windstream has moved in those directions. In 2010 it is likely we will see continued consolidation as the old TDM voice models are no longer a viable growth opportunity."

Windstream is aiming to expand its footprint and customer base to become a rural super telco, according to Atlantic-ACM. Its major competitor in this market is Centurylink, created through the combination of Centurytel and Embarq, which had estimated joint revenues of $8.3 billion in 2008.

"Windstream has extensive experience with successfully integrating new properties," said Gardner. "The transactions we have announced this year are scheduled to close in an orderly fashion over a period of time providing the opportunity for very manageable integrations. Each of these companies is extremely well run, and we are very far along in our integration planning."

Windstream offers phone, high-speed internet and digital TV services in 16 states. It owns three million access lines and generates around $3.1 billion in annual revenues. In 2009, it reached the milestone of providing one million customers with high-speed internet. ■

Hibernia Atlantic buys Mediaxstream

Hibernia Atlantic has acquired Mediaxstream, a provider of transport and managed network services for the media production and broadcast industries.

Mediaxstream operates in 20 markets in the US and Europe, serving growing demand for high definition video networking and production services for TV and film production, sports, news, mobile content and IPTV.

"Mediaxstream specialises in transporting flawless digital and high definition content in its native formats as demanded by TV and film production companies, mobile carriers and other customers who generate and manage media content. Mediaxstream bridges current industry operations with the demands of emerging new technologies, offering transport reliability that meets customers' needs," said Bjarni Thorvardarson, CEO at Hibernia Atlantic. "With this acquisition, we are expanding our product portfolio to our worldwide customers and leveraging both companies' network expertise to offer an innovative network choice to media and enterprise customers alike."

Bjarni Thorvardarson, CEO, Hibernia Atlantic

The acquisition of Mediaxstream adds 17 PoPs in 14 additional cities in the southern and western US to Hibernia's footprint. These cities include: Seattle, San Francisco, Los Angeles, Phoenix, Dallas, Houston, Denver, Tampa, Miami, Atlanta, Washington DC, Baltimore, San Diego and Las Vegas.

"We are excited to be a part of the Hibernia Atlantic family and will bring high quality transport and managed network services to Hibernia's best-of-breed network services," said Del Bothof, president at Mediaxstream. "Additionally, Mediaxstream will benefit greatly from the financial and wholesale strengths of Hibernia. We are excited to extend our customers' access into Europe and beyond over Hibernia's fast and secure network. This deal reflects our commitment to our customers to provide the highest quality network service."

Mediaxstream will become a wholly owned subsidiary of Hibernia Atlantic. ■

Cables for south east and west Asia

Two Asian subsea cables are planned to support interregional bandwidth increases.

In early December Pacnet said it is planning the West Asia Crossing cable (WAC), and a consortium including Google, KDDI, and Bharti Airtel will build the Southeast Asia Japan Cable (SJC). The WAC cable will directly link India to Asia, landing in Chennai, and has a design capacity of 6 to 8Tbps. The 17Tbps SJC is upgradable to 23Tbps and will link Japan to Singapore via Hong Kong, Indonesia, and the Philippines.

Bill Barney, CEO, Pacnet

"We own roughly two thirds of all the cables in Asia, and the reason we're looking at this new project is that it's an opportunity to expand our business – we have a letter of intent and should be getting the licence by the end of the year," said Bill Barney, CEO at Pacnet. "Subsea is about 30% of our business. The rest is largely enterprise customers. This cable system gives us low-cost connectivity into India and allows us to expand our enterprise business there. We're obviously going to grow as the Indian multinational market grows and blossoms."

The WAC cable will cost Pacnet an estimated $150 million, and has a ready for service (RFS) date of early 2012. The SJC will measure around 8,300km and cost an estimated $400 million. It also has a target RFS date of early 2012.

"There is still very strong growth in the Asia-Pacific region, so all the time the supply-demand balance is getting tighter," said Julian Rawle, managing partner, Pioneer Consulting. "To an extent this will offset new capacity. On top of that, route diversity in the region is important and will prevent a collapse in bandwidth pricing as a result of these new cables. Also, pricing in Asia-Pacific is generally quite high compared to other major markets, so you could argue there is already scope for pricing to come down regardless of new cables. I think prices will be driven down, but I don't think there will be a collapse."

Rawle pointed to the fact that two large Asia-Pacific cable systems – the TGN Intra-Asia Cable and the i2i cable – already provide the region with a large amount of subsea capacity. However, Telegeography predicts an 80% CAGR between 2009 and 2015 in India's international bandwidth, which suggests that the industry is confident that growth will be large and sustained. ■

IN BRIEF

❑ **Zain** is streamlining its mobile network operations to improve the quality of service and increase efficiency. As part of this process, **Nokia Siemens Networks** has been awarded a strategic five-year contract to optimise, modernise and manage Zain's over 3,000 multivendor mobile networks sites in Kenya, Tanzania and Uganda. Zain currently serves over nine million customers across these three countries.

❑ **Alcatel-Lucent** and **SK Telecom**, a provider of information and mobile services in South Korea, have further strengthened their cooperation with the signature of a contract to deploy a mobile backhaul network and assist SK Telecom's Packet Transport System (PTS) business in its network evolution. ■

Ciena buys Nortel's optical and carrier Ethernet assets

Equipment vendor Ciena was the successful bidder in the auction of the optical networking and carrier Ethernet assets of Nortel's Metro Ethernet Networks (MEN) business.

The agreement will see Ciena pay a total consideration of $769 million for the assets. It has been granted early termination of the antitrust waiting period under the Hart-Scott-Rodino Act, and, subject to approval, the deal is expected to close in Q1 2010.

"Our strategy has been to take advantage of shifts happening in networks as they migrate away from traditional technology and towards more data-friendly technologies such as Ethernet," said Tom Mock, senior VP for strategic planning at Ciena. "One of the things this acquisition does is that it accelerates us along this path by two to three years. It does this in a couple of different ways. It brings us important technologies such as 40Gbps transport, and some intellectual properties in the Ethernet space. It also brings us a greater geographical footprint, and a larger number of customers. Between the two of us we will now be the suppliers to 18 of the top 25 service providers globally."

The acquired assets generated around $1.36 billion revenue in 2008, and an unaudited $556 million in the first half of 2009. Ciena is expected to make employment offers to at least 2,000 Nortel employees.

"Ciena provides a natural fit for Nortel's optical and carrier Ethernet assets, providing an environment where our businesses' expertise and technology can be grown and leveraged," said Philippe Morin, president of MEN at Nortel. "The combination of our two organisations creates an industry powerhouse with a heritage of innovation and a shared commitment to building and maintaining reliable networks." ■

Hannibal links Tunisia to Italy

Huawei Marine Networks has deployed Hannibal, a 180km turnkey undersea cable system for Tunisie Telecom connecting Tunisia's Kelibia with Italy's Mazara del Vallo.

The Hannibal cable system provides an initial capacity of 40Gbps and is readily upgradable up to 3.2Tbps. The unrepeatered system connects north Africa to Interoute's pan-European next-generation network, via Interoute's landing station in Sicily.

"As well as meeting the growing demand for bandwidth in Tunisia, the Hannibal system has fortified the security of its international connections," said Montassar Ouaili, chairman and CEO at Tunisie Telecom. "The successful delivery relies heavily on Huawei Marine's leading technical solution and professional delivery capabilities."

The delivery of the Tunisian cable marks Interoute's first direct partnership and connectivity in to north Africa. Interoute had already established links with east Africa earlier this year through its partnership with Seacom.

Gareth Williams, CEO at Interoute said: "Interoute is proud to be involved in this significant digital step for Tunisia. It is a very exciting time for the country as it is one of the fastest-growing telecommunications markets in Africa. Tunisie Telecom has made significant investments in modernising its infrastructure over recent years and it has developed a cutting-edge telecommunications offering. The extra capacity and resilience provided by the new cable will make Tunisia even more attractive to foreign investors looking to establish operations in the region."

Gareth Williams, CEO, Interoute

Hannibal's increased capacity will enhance Tunisia's IP connection capacities, ensure rapid growth of broadband services across the country and support the roll out of IP internet services across Africa, enabling Tunisia to act as the internet hub for neighbouring north African countries. ■

IN BRIEF

❑ **Telecom Italia Sparkle** has extended its relationship with **Interxion**, an operator of carrier-neutral data centres, by locating equipment in the company's Frankfurt 5 data centre. The company already has a presence in Interxion's Frankfurt 2, Dusseldorf, Brussels, Paris and Vienna data centres.

❑ **ZTE** has completed an IMS-based high definition (HD) video conference system for **China Mobile**. The IMS-based commercial HD video conference system has been integrated in China Mobile's IMS office network to help reduce China Mobile's capex and opex through unified network operations and easy maintenance. The system enables China Mobile to enjoy converged multimedia conference functions via various terminals, including fixed-line telephones, TD-SCDMA handsets, and desktop soft clients. ■

News & Views

Telehouse expands in South Africa

Carrier-neutral co-location provider Telehouse has formed an alliance with Teraco Data Environments in South Africa to open two carrier-neutral data centres.

The two centres, Telehouse Cape Town and Telehouse Johannesburg, will be Telehouse branded and operated, supported and maintained by Teraco. The Cape Town site was opened in February 2009 and the Johannesburg site will open in early 2010.

"There's enormous scope both within the South African market and in Africa generally," according to Andrew Fray, business development director at Telehouse. "The population of South Africa is some 44 million, and it is at the initial stages of a consumer broadband roll-out. We're seeing a situation where traditional voice traffic, as well as mobile and internet service provider traffic, is very underdeveloped in South Africa and in Africa in general, and that's a significant area of growth. In addition, our corporate and enterprise customers think that data centres can be a safe haven for their critical infrastructure."

Fray pointed to the upcoming Fifa World Cup, as well as a changing regulatory environment, as drivers for growth in South Africa. Telehouse will aim to establish further partnerships in the region.

"One of the reasons South Africa represents a good opportunity for us now is that we've found a good partner," said Fray. "Teraco is a good partner because they share our vision of carrier neutrality and of excellence in customer satisfaction. They've put together two sites with the operational resilience we're looking for. We know they're good people to work with because we've spent an extensive period of time auditing them over the last few months. So in opening Telehouse Capetown and Telehouse Johannesburg we have audited them from both a facilities and operational management point of view in order to check that they are up to our global standard." ■

RING OUT THE OLD

Camille Mendler has some predictions for the coming year

Eurovision

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So, it's adieu to the Noughties, a decade sandwiched between two crises: The dotcom crash and the current – but sputtering – downturn.

In that time, Europe accomplished much: The Euro was adopted, DSL went mainstream and NGN transformation went into overdrive. Not least, consumers woke up to the pleasures of mobile content, although it is unlikely operators will ever see a proper return for the 3G licences that European governments gouged them for.

The European wholesale industry is fitter and wiser because it has shed dead weight and consolidated. But what's in store for 2010 and beyond?

1. Ethernet will be everywhere. Get with the programme: Ethernet is in the LAN, it's in the WAN, it's transforming mobile backhaul economics, and it's converging the data centre. Not least some clever equipment boys are delivering Ethernet in the first mile and new Ethernet exchanges aim to speed order to cash with their interconnect services. Want a unifying communications fabric? Well duh!

2. The CDN bubble will burst. Not a popular prediction, I suspect, so let me explain: A carrier-directed CDN solution can offer profound benefits, but how many service providers can the market support, even if video traffic is exploding? Many partnerships are already in place: Tata Communications with Bitgravity, Verizon with Velocix, Deutsche Telekom with Edgecast Networks and Global Crossing with Limelight Networks and Edgecast. If you're not in the game now, don't bother or have deep pockets to buy in.

3. The cloud's hot air will expand. Resilient, liquid connectivity is going to save the outage-plagued cloud. To invest in cloud services enterprises demand network as well as applications-specific SLAs, as well as network redundancy. Wholesalers can step in to provide on-demand VPN services to cloud service providers, and help defuse concerns about the security and resilience of cloud services.

4. Equipment vendors will want to be your new best friend. The ratio of capex to revenue currently stands at 12.6% among European operators. It's not going to recover much. That's why European equipment vendors like Alcatel Lucent, Ericsson and Nokia Siemens Networks are on a charm offensive with managed services propositions and claims to rewrite your business models. Listen to their pitch. And talk to Huawei: You'll find the Chinese vendor has more in its arsenal than cheap finance.

5. Smart wholesale will become sexier than dumb wholesale. Get big, get niche or get out. It's not a new mantra, but it needs to be memorised. Work mobility angles: International remittances, GRX to IPX interconnect, transcoding, white-label mobile UC and M2M are among many rich avenues of investigation. ■

News & Views

Telstra expands Asian presence

Telstra International has expanded its connectivity in a number of emerging Asian markets, with additional PoPs and a partnership with Viettel in Vietnam.

Telstra has installed PoPs in Indonesia and Malaysia, and will provide traditional and Ethernet private line services. The partnership with Viettel has seen Telstra establish IP-VPN PoPs in Hanoi and Ho Chi Minh City, giving multinationals direct connectivity to branch offices in Vietnam and Cambodia.

"Ever-growing intra-Asian trade is now a major factor in the demand for data connectivity across the region," said Gina Nomellini, general manager of global products at Telstra International. "In five years' time, the level of intra-Asian business will be a major driving force for the global economy, and the demand for greater levels of coverage in the area and an ever broader range of services will continue. Telstra International's strength in the region and its continued expansion will help meet customers' increasing network infrastructure and managed services requirements."

Telstra will also expand its IP-VPN footprint into Malaysia and the Middle East through a partnership with Telekom Malaysia. Telstra has spent over A$5 billion ($4.5 billion) in the last year on a programme of infrastructure investment.

"Telstra's partnership with Viettel is probably a natural expansion of Telstra's connectivity in Asia as it needs to be in key markets," said Paul Budde, managing director at Buddecomm. "A partnership with Viettel (Vietnam's leading mobile operator) gives it a presence in the key Vietnam market. On the back of a major opening up of its telecoms market allowing foreigners to take equity, Vietnam has become a significant industry player with a booming mobile market, including large 3G penetration and the launching of its own satellite last year. Apart from Vietnam itself, of strategic importance to Telstra, will be Viettel's expansion beyond its borders and into the wider region; it already has joint ventures in Cambodia and Laos." ■

Tata and partners launch Gulf cable

Tata Communications has signed partnership agreements with a number of regional Middle Eastern operators to build another cable system in the Persian Gulf.

The TGN-Gulf cable system is intended to connect the region to the world's major business hubs and city centres via the Tata Global Network (TGN). The exclusive landing parties who have partnered with Tata are the Bahrain Internet Exchange, Nawras in Oman, Qatar Telecom, Mobily in Saudi Arabia and Etisalat in the UAE.

Ali Amiri, EVP carrier and wholesale services, Etisalat

Radwan Moussalli, managing director for MENA at Tata Communications said: "The TGN-Gulf cable system will be added to the global network that Tata Communications already owns and operates. We are delighted to be in partnership with such progressive and committed companies to achieve this milestone to our global network. The benefit derived from such partnerships will in turn benefit the Middle East region – allowing the already progressive region to grow by leaps and bounds. This step reiterates our commitment to the Middle East region."

Tata intends to expand its relationship with each of the landing parties to provide an extended portfolio of value-added services for local and global customers in the Gulf. For Tata the partnerships represent an opportunity to gain mutual benefits and expand its operations in a developing region.

"The way to see this is as a natural extension of Tata's network into the Gulf," said Alan Mauldin, research director at Telegeography. "They invest in a lot of cables between India and Europe, to the UAE and Egypt, and other cables in the Gulf; but with this new cable they will have more control themselves. Currently the only private cable in the Gulf is the Reliance Globalcom Falcon cable system, which is Tata's main competitor. This, and the Gulf Bridge International cable will help to drive price erosion on the subsea front. One of the interesting things about this region, though, is that even if the 'wet price', the undersea portion, becomes very competitive, once you get into these countries the price of backhaul from landing stations to city centres is still very expensive."

The regional partners will operate their own landing stations. "Partnering with Tata Communications to increase the region's resiliency, connectivity and capacity through a new cable to India and the rest of the world is a strategic move which will benefit everyone," said Ali Amiri, executive vice president of carrier and wholesale services at Etisalat. "The UAE economy as well as those in neighbouring markets who choose to be connected through the TGN-Gulf cable will tremendously benefit from Etisalat's diversified connectivity and extended reach."■

News & Views

Global Crossing provides Adify with content delivery services

Adify has chosen Global Crossing's content delivery network (CDN) services to support its online advertising aggregation service.

Adify's network builder solution delivers display, rich media, video and HTML content to independent sites with between 5,000 and one million unique visitors per month. Global Crossing, through partnerships with Edgecast and Limelight, aims to offer its customers one point of contact for content delivery.

"We're able to tailor a best-of-breed solution for each individual customer," said Andrew Peacock, senior product manager at Global Crossing. "In Adify's case – given the web sites they're delivering to and the images they are delivering – they chose us to deliver those images as part of their network builder platform. We're relatively new to the market, but working with both of our partners allowed us to get up to speed quickly on the nuances of the CDN industry and on how best to satisfy the unique requirements of CDN users."

Global Crossing aims to build upon its global IP backbone to provide "market-leading" CDN services, says Peacock. An important part of this is a high-quality and service-interruption free experience.

"Global Crossing, utilising Limelight's CDN, was simply faster with every test we did compared with our previous CDN solution," said Jon Prall, senior vice president of engineering operations at Adify. "Another key reason is value. Global Crossing's solutions are different than other options available, and for what Adify needs it was a far better financial fit for us. Our relationship will expand as we continue to grow our bandwidth and CDN usage. Adify is utilising four times the bandwidth it was a year ago. Performance continues to be excellent with Global Crossing and Limelight, and that is what Adify needs most: fast and cost-effective services." ■

LEARNING TOGETHER

Christian Michaud tracks the progress made since the formation of the i3 Forum

i3 Forum

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The i3 Forum was founded to facilitate global IP-based voice migration, and from the beginning, our focus has been on simple and pragmatic service, technical and operational recommendations to improve the efficiency of the transition process. As Tata is chair of the migration work stream, we have had a chance to see how the Forum's efforts are already leading to concrete process improvements.

This year we have seen several major carriers complete their next-generation IP network roll-outs, enabling the first commercial pilots of IP-based interconnections between major partners. As the work stream began to review some of these pilots, one of the themes to emerge was that the timeframes for these trials were frequently longer than expected.

We investigated the reasons for these delays and found that one of the main contributors was interoperability issues with SIP-I. Since SIP-I is a relatively new standard, vendors have implemented it with minor variations across their equipment. By sharing information, our member carriers were able to achieve successful interconnections, either by tweaking their settings, or escalating for vendor fixes, such as patches or changes incorporated into version updates.

We also realised that while a TDM interconnection either works or does not work, IP interconnections frequently require a tuning phase, as traffic from different sources could introduce new problems. To minimise the possibility of post-production issues, we created a detailed test plan (available for download at www.i3forum.org/library), designed to identify and resolve as many potential issues as possible while still operating within the test environment.

To support the test plan, we have also developed a standardised interconnect form that partners can exchange to ensure that information related to the most critical parameters would be available at the beginning of the interconnect process. These forms and test cases are designed to incorporate lessons learned on an ongoing basis, ensuring that the IP interconnection process continues to become more efficient.

Moving forward, one of the next issues we'll be examining is the mapping of release codes among different standards. By ensuring that these mappings are consistent and well defined, we can avoid any disruptions in quality monitoring during the transition phase. We will also be focussing on routing and addressing, as well as continuing to work on implementing and standardising quality of service monitoring across multiple carrier networks.

By combining our experiences, we at the i3 Forum are confident that we can shorten the time before IP interconnects become as routine and standardised as TDM interconnects. ■